

Roll No.

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Total No. of Pages : 03

Total No. of Questions : 07

BCA (2010 Batch) (Sem.-1)

BASIC ACCOUNTING

Subject Code : BC-103

Paper ID : [B0203]

Time : 3 Hrs.

Max. Marks : 60

INSTRUCTION TO CANDIDATES :

1. SECTION-A is **COMPULSORY** consisting of **TEN** questions carrying **TWO** marks each.
2. SECTION-B contains **SIX** questions carrying **TEN** marks each and a student has to attempt any **FOUR** questions.

SECTION A**Q1. Write briefly :**

- I. Explain three merits of management accounting.
- II. What is balance sheet?
- III. How sales book differ from cash book?
- IV. Define ledger.
- V. Discuss in detail benefits of double entry system.
- VI. Define capital.
- VII. How will you forfeit shares?
- VIII. What do you mean by concepts of accounting?
- IX. Define convention of accounting.
- X. Define computer.

SECTION-B

- Q2. Discuss in detail the nature, scope and importance of accounting. Discuss in detail concepts and principles of accounting.
- Q3. Journalize the following transactions of Oxford for the month of September 2013, post them to ledger and balance the account :

| Date | Particulars | Amount |
|--------------|-----------------------------------|----------|
| September 3 | Oxford started business with cash | 5,00,000 |
| September 4 | Paid into bank | 2,00,000 |
| September 5 | Bought goods for cash | 1,00,000 |
| September 6 | Drew cash from bank for office | 50,000 |
| September 7 | Sold goods to Krish on credit | 50,000 |
| September 8 | Bought goods from Ravi on credit | 75,000 |
| September 9 | Received cash from Krish | 40,000 |
| September 10 | Paid cash to Ravi | 40,000 |
| September 10 | Discount allowed by Ravi | 1000 |
| September 11 | Cash sales for month | 60,000 |
| September 12 | Paid rent | 10,000 |
| September 12 | Paid salary to Kabir | 5000 |

- Q4. What do you mean by trial Balance? Discuss in detail various method of preparing trial balance with the help of examples. Which errors can be traced by trial balance?
- Q5. From the following balances of Mr. Sunil, prepare the P&L account for the year ended on 31-3-2004 and balance sheet for the same date, after making necessary adjustments :

| PARTICULARS | AMOUNT (Rs.) | PARTICULARS | AMOUNT (Rs.) |
|--|--------------|-----------------------------------|--------------|
| Capital of MR. Sunil | 2,28,800 | Stock (1-4-03) | 38,500 |
| Drawing of MR. Sunil | 13,200 | Wages | 35,200 |
| Plant and Machinery | 99,000 | Sundry creditors | 44,000 |
| Freehold Property | 66,000 | Postage and telegrams | 1,540 |
| Purchases | 1,10,000 | Insurance | 1,760 |
| Return outward | 1,100 | Gas and fuel | 2,970 |
| Salaries | 13,200 | Bad debts | 660 |
| Office Expenses | 2,750 | Office rent | 2,860 |
| Office Furniture | 5,500 | Freight | 9,900 |
| Discounts (Dr.) | 1,320 | Loose tools | 2,200 |
| Sundry debtors | 29,260 | Factory lightening | 1,100 |
| Loan to Mr. Mukesh @ 10% p.a. as on 1-4-03 | 44,000 | Provision for bad debts | 880 |
| | | Interest on loan to Mr. Mukesh | 1,100 |
| Cash at bank | 29,260 | Cash in hand | 2,640 |
| Bills payable | 5,500 | Sales | 2,31,440 |

Adjustments :

- (1) Stock on 31-3-2004 was valued at Rs. 72,600.
 - (2) A new machine was installed during the year costing Rs. 15,400. But it was not recorded in the books as no payment was made for it. Wages Rs. 1100 paid for its erection has been debited to wages account.
 - (3) Depreciate Plant and machinery by $\frac{1}{3}^{\text{rd}}$, Furniture by 10%, freehold property by 5%.
 - (4) Loose tools were valued at Rs. 1,760 on 31-3-2004.
 - (5) Of the sundry debtors Rs. 600 are bad and should be written off.
 - (6) Maintain a provision of 5% on sundry debtors and doubtful debts.
 - (7) The manager is entitled to a commission of 10% of the net profit after charging such companies.
- Q6. Discuss in detail applications of computers in accounting in the current scenario in the era of globalization.
- Q7. X Ltd issued for public subscription 20, 000 equity shares of Rs.10 each at a premium of Rs. 2 per share payable as under :

Rs. 2 per share on application : Rs. 5 per share (including premium on allotment) ; Rs 2 per share on first call; Rs. 3 per share on final call. Applications for 30,000 shares were received. Allotment was made prorata to the application for 24000 shares, the remaining applications being rejected. Money overpaid on application was utilized towards sums due on allotment. Shri Y to whom 800 shares were allotted failed to pay the allotment money, Shri Z to whom 1000 shares were allotted failed to pay the last two calls. These shares were subsequently forfeited after second call was made. All these forfeited shares were re-issued to Shri W as fully paid-up at Rs. 8 per share.

Give the necessary journal entries to record the above transactions.